



UPDATE ON FUND BALANCES

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FUND BALANCE POLICIES

Assigned Fund Balances

- ☐ GASB standards define assigned fund balance as any amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed.
- ☐ Establishment of assigned fund balances, including the intent, specific purpose, and amounts may be made by the County Administrator.
- ☐ Any expenditure of assigned fund balances is subject to prior legal appropriation by the Board.

Unassigned Fund Balances

- ☐ Established to protect against unanticipated expenditures, to provide for cash flow reserves during the fiscal year due to the timing difference between the receipt of revenues and disbursement of expenditures, and to meet desired unassigned fund balance targets.
- ☐ Shall be at least equal to 10% of the General Fund's total revenues. A target unassigned fund balance is determined by the requirements of the Fund Balance Regulations.

GENERAL FUND - ESTIMATED ASSIGNED AND UNASSIGNED FUND BALANCES AT 6/30/14

	Estimated Fund Balance Amounts
Committed - Economic Development	\$ 500,000
<u>Assignments:</u>	
Education	1,000,000
Economic Development	1,000,000
Reserve for Revenue Stabilization - FY16	886,921
Capital Projects FY16-17	2,309,896
Encumbrances FY14	1,353,559
County Capital Projects FY15	1,770,000
School Capital Projects FY15	1,600,000
Reserve for Revenue Stabilization - FY15	1,220,230
County Funding from PY Budget - FY15	3,173,700
Subsequent Year's Adopted Budget - FY15	7,763,930
Available for Assignment	<u>3,184,934</u>
	17,499,240
Unassigned (12.6% of Estimated FY14 Revenues)	25,586,868
Total	\$ 43,586,108



HANOVER'S AAA RATING

Fund Balance as a part of the rating process:

Moody's = 40% of overall score

S&P's = 30% of overall score

RATING AGENCIES COMMENTS ON RESERVE BALANCES

ample reserves

still sound

healthy

sound reserve levels

strong reserves

a sound 12.6%
of revenues

Moody's – January 14, 2011:

- WHAT COULD MAKE THE RATING GO-DOWN:
"Significant decline in reserves"